

**J. David Black**  
Associate  
Admitted in SC

May 25, 2006

**VIA ELECTRONIC AND U.S. MAIL**

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South Carolina Public Service Commission  
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Columbia, South Carolina 29211

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**Columbia**

Greensboro

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Myrtle Beach

**RE: Proposed Amendments to Rules and Regulations, Article 3**

Dear Mr. Terrini and Office of Regulatory Staff:

The Electric Cooperatives of South Carolina ("The Cooperatives") have reviewed the Public Service Commission's ("The Commission") proposed amendments to Rules and Regulations, Article 3. Pursuant to the Commission's notice requesting public comments to the proposed amendments, the Cooperatives request that the Commission further amend Regulation 103-304.

As currently written, Regulation 103-304 continues to conflict with the Territorial Assignment Act and the South Carolina Constitution. "Although a regulation has the force of law, it must fall when it alters or adds to a statute." Society of Professional Journalists v. Sexton, 283 S.C. 563, 567, 324 S.E.2d 313, 315 (1984). The Cooperatives maintain that Regulation 103-304 currently alters, adds to, and conflicts with S.C. Code Ann. Section 58-27-620 and Section 58-27-640 by restricting the Cooperatives' codified corridor rights. The Cooperatives further maintain that any regulatory restriction within a corridor would appear invalid as the Commission did not assign corridors. Rather corridors were assigned by the Legislature pursuant to statute, and a supplier may serve off a corridor into adjacent

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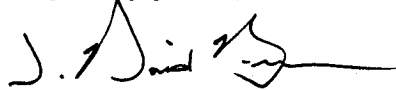
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territory without permission from the Commission. Id. As such, the proposed amendment would continue to conflict with the Territorial Assignment Act and the South Carolina Constitution.

The Cooperatives respectfully request that the Commission amend Regulation 103-304 to strike the approval requirements and require notice where one supplier crosses another supplier's electric lines or facilities. The Cooperatives appreciate the Commission's request for comments and look forward to further discussing this matter with the Commission at a later date.

With kind regards, I remain

Very truly yours,

A handwritten signature in black ink, appearing to read "J. David Black", with a stylized flourish extending to the right.

J. David Black

JDB/hjr